

# **NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY CHOICE DOCUMENT CHECKLIST**

*The Agency intends to provide CHOICE financing for this project. The requirements listed in this checklist must be satisfied prior to a Mortgage Commitment, Scheduling a Closing, the Closing and Post-Closing.*

**PROJECT NAME:**

**PROJECT NUMBER:**

**APPLICATION DATE:**

**CURE PERIOD START (same as date you first send checklist to applicant):**

**BOARD COMMITMENT DATE:**

**CLOSING DATE:**

**LOAN OFFICER:**

**Phone #:**

**DEVELOPER/SPONSOR NAME:**

**Address:**

**Phone#:**

**DEVELOPER/SPONSOR CONTACT:**

**Phone#:**

**Fax#:**

**Email:**

**DEVELOPER/SPONSOR'S ATTORNEY:**

**Phone#:**

**LEAD LENDER:**

**Phone#:**

**LEAD LENDER'S ATTORNEY:**

**Phone#:**

**Municipality and County:**

**Project Address (if scattered, list one address for general location):**

**Blocks and Lots (list them all):**

New Construction \_\_\_\_\_ Substantial Rehabilitation \_\_\_\_\_  
 Project Type: Contiguous \_\_\_\_\_ Scattered Site \_\_\_\_\_  
 Unit Type: \_\_\_\_\_ Type of Construction: \_\_\_\_\_  
 (Single Family, Condo, Two-Family, Studios etc.) (Rehab, Modular, Stick, Panelized)

**UNIT BREAKDOWN:**

	<u>Homeownership</u>	<u>Rental</u>
	(Indicate number of units)	
Affordable Housing (deed restricted)		
Affordable at 45%	_____	_____
Affordable at 55%	_____	_____
Affordable at 72%	_____	_____
Middle Income	_____	_____
Emerging Market Unit	_____	_____
EMU located in an ERA eligible city	_____	_____
Unsubsidized/Unrestricted Market	_____	_____
<b>TOTAL</b>	_____	_____ <b>Total w/rental</b> _____

Number of Units	Affordability Level	Average Eligibility Per Unit	Request Per Unit	Total Subsidy Request
	Affordable at 45%	\$100,000		
	Affordable at 55%	\$100,000		
	Affordable at 56% - 72%	\$100,000		
	Middle Income	\$75,000		
	Emerging Market	\$75,000		
	EMU in an ERA	\$100,000		
	<b>Total Subsidy Request</b>			

**Agency Construction Loan Amount:** \$ \_\_\_\_\_

**Lead Lender Construction Loan Amt:** \$ \_\_\_\_\_

**Total Construction Loan Amt:** \$ \_\_\_\_\_ **Total Subsidy Amount:** \$ \_\_\_\_\_

**Other Funding Sources:**

Source:	Amt:	Commit Date:	Expiration Date:
Source:	Amt:	Commit Date:	Expiration Date:
Source:	Amt:	Commit Date:	Expiration Date:
Source:	Amt:	Commit Date:	Expiration Date:

**Code to Document Requirements:**

*A - Document Received and Approved*

*NA - Not Applicable*

*R - Document Received and under review*

*\* - An asterisk indicates that a New Jersey Housing and Mortgage Financing Agency form document must be used*

**REQUIREMENTS FOR A CHOICE FINANCING COMMITMENT**

**One original for Agency and one copy for Lead Lender of the complete application with submissions - typed.**

**Section I - CHOICE Application Summary and AFHMP**

\_\_\_ Completed CHOICE Application Summary\*

\_\_\_ (Agency only) Copy sent to Bob Bonsignore for his files (date) \_\_\_\_\_

\_\_\_ Project Summary (narrative)

\_\_\_ (Agency only) Copy sent to Bob Bonsignore for his files (date) \_\_\_\_\_

\_\_\_ Affirmative Fair Housing Marketing Plan, with requested supporting documentation \*

\_\_\_ (Agency only) Approved by HAS (date) \_\_\_\_\_

**Section II - Municipal Resolution**

\_\_\_ Municipal Resolution with original signatures and seal OR certified as a true copy. Must also contain Exhibit A.

**Section III - Site Control Summary and Documentation**

\_\_\_ Site Control Summary\*

\_\_\_ Evidence of Site Control (INDICATE FOR EACH PROPERTY INVOLVED)

\_\_\_ Deed

\_\_\_ Contract of Sale (or Option Agreement)

\_\_\_ Redevelopment Agreement

\_\_\_ Other

\_\_\_ Deed identifying the current owner, certified true copy by the County Clerk (PROVIDE FOR EACH PROPERTY INVOLVED)

**Section IV – Site Summary and Information**

\_\_\_ Site Summary\*

- \_\_\_ Clear site location map and directions to the site
- \_\_\_ Tax Map
- \_\_\_ Neighborhood Description (narrative)
- \_\_\_ Neighborhood Impact Statement (narrative)
- \_\_\_ (AGENCY ONLY) Site inspection report from Bob Bonsignore (date) \_\_\_\_\_

## **Section V - Municipal Approvals Summary and Evidence of Municipal and State Approvals**

- \_\_\_ Municipal Approvals Summary \*(provided)
  - \_\_\_ (Agency only) Copy sent to Bob Bonsignore (date) \_\_\_\_\_
- \_\_\_ Site Plan Resolution (Preliminary or Final)
  - \_\_\_ (Agency only) Copy sent to Bob Bonsignore (date) \_\_\_\_\_
- \_\_\_ Site Plan (Preliminary or Final - provide full set with a seal)
  - \_\_\_ (Agency only) Copy sent to Bob Bonsignore (date) \_\_\_\_\_
- \_\_\_ Confirmation of Availability of Utility Services (electric, gas, water, sewer) (Letters should be within at least 6 months of anticipated Agency commitment)
  - \_\_\_ Letter from Electric Utility Company
  - \_\_\_ Letter from Gas Utility Company
  - \_\_\_ Letter from Water Utility Company
  - \_\_\_ Letter from Sewer Utility Company
  - \_\_\_ Letter from Other: \_\_\_\_\_
  - \_\_\_ Resolution from Municipal/County Authority, if applicable
  - \_\_\_ NJ DEP Treatment Works Approval (Sewer), if applicable
  - \_\_\_ (Agency only) Copy sent to Bob Bonsignore (date) \_\_\_\_\_
- \_\_\_ Subdivision approval: evidence of date of approval: \_\_\_\_\_
  - (if not required, letter from municipal official certifying such)
  - \_\_\_ (Agency only) Copy sent to Bob Bonsignore (date) \_\_\_\_\_
- \_\_\_ Zoning approval: evidence of date of approval: \_\_\_\_\_
  - (if not required, letter from appropriate municipal official certifying such)
  - \_\_\_ (Agency only) Copy sent to Bob Bonsignore (date) \_\_\_\_\_

## **Section VI - Environmental / Other Approvals**

- \_\_\_ Environmental / Other Approvals Summary \*
  - \_\_\_ (Agency only) Copy sent to Bob Bonsignore (date) \_\_\_\_\_
- \_\_\_ Local historic approvals **OR** evidence of future meeting dates for the approval **OR** a letter of non-applicability certifying that site is not subject to historic review.

- \_\_\_ (Agency only) Copy sent to Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Environmental Preliminary Assessment Report (pursuant to N.J.A.C. 7:26E-3.2) (Phase I)  
 \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Environmental Report (pursuant to N.J.A.C. 7:26E-3.3), (Phase II) (if applicable)  
 \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Attach detailed cost estimate to complete remedial work, if necessary. Indicate if costs are included in the project development budget.  
 \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ ISRA, Pinelands or Meadowlands Commission, CAFRA, and SHPO approvals or evidence from appropriate authorities that such approvals are not required for this project.  
 \_\_\_ (Agency only) Copy sent to Bob Bonsignore (date)\_\_\_\_\_

## Section VII - Unit Information

- \_\_\_ Preliminary drawings. Unit design with square footage for new or rehab units (certified by the project architect, shop drawings for modular units, or other appropriate professional). Reminder: One bedroom must be at least 150 square feet and all other bedrooms must be at least 100 square feet.  
 \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Elevations for each unit type with construction materials and unit amenities/features specified, certified by the project engineer, architect or modular unit shop drawings.  
 \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Documentation of Energy Star Program designation for units within the proposed development. (required for new construction)  
 \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Construction timetable and, if applicable, details of phased development plans.  
 \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Location of low-, moderate-, and market-income units on the site and construction timetable for the construction of each unit type.  
 \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Documentation for waiver, if needed, of CHOICE unit minimum square footage requirements for rehabilitation units only.  
 \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Description/documentation of Green features being used (if not indicated in prelim drawings)  
 \_\_\_ (Agency only) Approved by Mary Uschack (date)\_\_\_\_\_

## Section VIII - Developer Information Summary and Materials

- \_\_\_ Developer Information Summary \*

- \_\_\_ Developers Certification of MBE/WBE/SBE and Local Resident Employment Utilization\*
- \_\_\_ Resumes of the development team
  - \_\_\_ (Agency only) Architect resume approved by Bob Bonsignore (date)\_\_\_\_\_
  - \_\_\_ (Agency only) Contractor resume approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Formation Certificate for Sponsor/Borrower and Managing Entity, as applicable
  - \_\_\_ Certificate of Limited Partnership
  - \_\_\_ Certificate of Formation (Limited Liability Company)
  - \_\_\_ Certificate of Incorporation (required for a corporate sponsor and for any corporate general partner or managing member)
  - \_\_\_ Certificate of Formation for Managing Member, if applicable
  - \_\_\_ Certificate of Formation of Contractor
- \_\_\_ Filed Articles of Incorporation or Partnership Agreement.
- \_\_\_ Certificate of Good Standing from the State of New Jersey. (for sponsor, managing member, contractor, architect)
- \_\_\_ IRS 501(c)(3) Tax Exempt letter for non-profits, if applicable.
- \_\_\_ List of Board of Director officers for non-profits, if applicable.
- \_\_\_ Most recent three (3) years financial statements **AND** year to date profit and loss.
- \_\_\_ Tax Clearance Certificate from the Division of Taxation (within 90 days)\*
- \_\_\_ List of prior developments with locations and unit-mix information.
- \_\_\_ If applicable, evidence of meeting prior CHOICE project milestones.

## Section IX - Certifications and Questionnaires

- \_\_\_ Personal Questionnaire\* for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in Sponsoring Entity, or in the General Partner or Managing Member entity\* (*For non-profit entities controlled by a Board of Directors, Personal Questionnaires should be provided for any officer of the Board.*) **MUST BE COMPLETE, EXECUTED AND NOTARIZED**
  - \_\_\_ for Directors and Officers of Sponsoring Entity/Borrower
  - \_\_\_ for Individuals serving as General Partner or Managing Member
  - \_\_\_ any Other Individual owning 10% or greater interest in Sponsoring Entity or in the General Partner or Managing Membership entity
  - \_\_\_ (for nonprofits only): for Officers of the Board **AND** key project personnel
  - \_\_\_ for Contractor
  - \_\_\_ for Architect

\_\_\_ Corporate Certification and Questionnaire\* for each, as applicable. ***MUST BE COMPLETE, EXECUTED AND NOTARIZED***

- \_\_\_ Sponsoring Entity/Borrower **AND** any other members of the development team
- \_\_\_ General Partner (Limited Partnership)
- \_\_\_ Managing Member (Limited Liability Company)
- \_\_\_ Other entity owning 10% or greater interest in Sponsoring Entity
- \_\_\_ for Contractor
- \_\_\_ for Architect

\_\_\_ Criminal Background Check for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in Sponsoring Entity, and General Partner or Managing Member entity\* **AND** for Contractor and Architect (*Any individual submitting a Personal Questionnaire must submit a Criminal Background Check. For non-profit entities controlled by a Board of Directors, Criminal Background checks should be provided for any officer of the Board.*)

## **Section X - Financing Information**

\_\_\_ Development Budget \*  
\_\_\_ (Agency only) Reviewed/approved by Bob Bonsignore (date)\_\_\_\_\_

\_\_\_ Sources of Funds \*

\_\_\_ Range of Affordability Worksheet \*

\_\_\_ Residential Structure Cost Analysis \*  
\_\_\_ (Agency only) Approved by Robert Bonsignore on (date)\_\_\_\_\_.

\_\_\_ Lender references for projects completed by the developer and contractor in past two years, if applicable  
\_\_\_ (Agency only) Contractor references approved by Bob Bonsignore (date)\_\_\_\_\_

\_\_\_ Lender letter for projects less than ten units, if applicable

\_\_\_ Lead Lender Term Sheet (serving as a conditional letter of interest for construction lending)

\_\_\_ Proof of ability to meet equity requirement.  
Equity source \_\_\_\_\_.

\_\_\_ Letters of commitment from other funding sources (***make sure these match summary on page 2 of this Documents Checklist***)

- \_\_\_ From whom:\_\_\_\_\_
- \_\_\_ From whom:\_\_\_\_\_
- \_\_\_ From whom:\_\_\_\_\_

\_\_\_ Tax abatement verification and evidence of other municipal concessions or contributions, if applicable

## Section XI – Market Information and Read Estate Sales Comparables.

- \_\_\_ Market Information Sheet \*
  - \_\_\_ required photos
  - \_\_\_ comparables for each unit type
  - \_\_\_ map showing comparables
- \_\_\_ Market Study / Absorption Analysis (not required, but if available)

## **REQUIREMENTS FOR SCHEDULING A CHOICE CLOSING**

- \_\_\_ HMFA Board Approval (RFA).
- \_\_\_ Independent Market Valuation Appraisal (ordered/provided by Lead Lender)
- \_\_\_ Real Estate As-Is Valuation of the project property (ordered/provided by Lead Lender)
- \_\_\_ Geotechnical soils load-bearing capacity test (only for new construction)
  - \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Engineering report (only for rehabilitation projects)
  - \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Survey (certified to NJHMFA)
  - \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Architect's contract
  - \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Architect's errors & omissions policy (**HMFA to be named as a certificate holder**)
  - \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Final project contract plans & specifications (including construction plans, specifications, and shop drawings for **modulars, if applicable**)
  - \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Final Site Plan and/or variance approval by local planning/adjustment board
  - \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_
- \_\_\_ Condominium (or other PUD) documents, if applicable:
  - \_\_\_ Condominium Association By-laws
  - \_\_\_ Master Deed
  - \_\_\_ Certificate of Formation for Condominium Association
- \_\_\_ Termite inspection report (rehab projects only)
  - \_\_\_ (Agency only) Approved by Bob Bonsignore (date)\_\_\_\_\_



- \_\_\_ Construction contract  
\_\_\_ (Agency only) *Approved by Bob Bonsignore (date)*\_\_\_\_\_
- \_\_\_ Schedule of Values, signed and dated by contractor (SHOULD MATCH THAT APPROVED BY LEAD LENDER IN COMMITMENT LETTER)  
\_\_\_ (Agency only) *Approved by Bob Bonsignore (date)*\_\_\_\_\_
- \_\_\_ Evidence of contractor's registration with the New Jersey Department of Community Affairs (person transferring title must be registered)  
\_\_\_ (Agency only) *Approved by Bob Bonsignore (date)*\_\_\_\_\_
- \_\_\_ Contractor's Certificate of Incorporation and Certificate of Good Standing (current within 6 mos of closing date)
- \_\_\_ Contractor's insurance (**including HMFA as named insured**)  
\_\_\_ (Agency only) *Approved by Bob Bonsignore (date)*\_\_\_\_\_
- \_\_\_ Payment & Performance Bond or other forms of Construction Guaranty as required by the Construction Lender.  
\_\_\_ (Agency only) *Approved by Bob Bonsignore (date)*\_\_\_\_\_
- \_\_\_ Building Permits  
\_\_\_ (Agency only) *Approved by Bob Bonsignore (date)*\_\_\_\_\_
- \_\_\_ Proof of registration with NJ Department of Community Affairs for home warranty program
- \_\_\_ Certificate of Good Standing, from State of Formation, for Sponsoring Entity and All General Partner(s) or Managing Member(s) and for Limited Partner(s) (current within 6 mos of closing date)
- \_\_\_ New Jersey Secretary of State Authorization to do Business in New Jersey for any Out-of-State Sponsoring Entity (if applicable)
- \_\_\_ Lead Lender's commitment letter (INCLUDING FINAL DEVELOPMENT BUDGET AND CONSTRUCTION SCHEDULE OF VALUES)  
\_\_\_ (Agency only) *Approved by Bob Bonsignore (date)*\_\_\_\_\_
- \_\_\_ Grant or loan agreements and documents (copies) from third parties other than the Lead Lender.
- \_\_\_ Letters of Credit for equity requirements (if applicable).
- \_\_\_ Housing Affordability Service Agreement for projects with affordable units receiving CHOICE Funds must be executed. Please contact Natasha Encarnacion @ 609-278-8834
- \_\_\_ Tax Clearance Certificate from the Division of Taxation (within 90 days of closing)

## **REQUIRED DOCUMENTS 5 DAYS PRIOR TO SCHEDULED CHOICE CLOSING**

- \_\_\_ (Agency prepared, document #5) Executed Intercreditor Agreement  
MUST BE EXECUTED BY LEAD LENDER
- \_\_\_ (Agency prepared – document #6) Construction Loan Agreement/CHOICE Subsidy Rider attached to original loan agreement.
- \_\_\_ (Agency prepared – document #7) CHOICE Construction Mortgage & Security Agreement to HMFA (signed original signatures)
- \_\_\_ (Agency prepared – document #8) CHOICE Construction Mortgage Note (original signatures)
- \_\_\_ (Agency prepared – document #9) CHOICE Subsidy Second Construction Mortgage Security Agreement to HMFA (signed original signatures)
- \_\_\_ (Agency prepared – document #10) CHOICE Subsidy Second Construction Note-Variable Interest (signed original signatures)
- \_\_\_ (Agency prepared – document #13) Assignments of Leases & Rents
- \_\_\_ (Agency prepared – document #14) Developer's assignment of all governmental approvals, plans, engineering, architectural drawings & specifications & contract rights
- \_\_\_ (Agency prepared – document #15) Environmental Affidavit
- \_\_\_ Counsel opinion to HMFA.
- \_\_\_ Title binder (marked up) HMFA first & second construction mortgage insured **amount of loan & subsidy (HIF)** closing protection letter & run down. Must include Alta 8.1 – Environmental Protection Lien Endorsement

### Example of Endorsement:

A. Lead Lender name (**construction loan amount**)  
\$1,000,000

B. NJHMFA (**construction loan amount**)  
\$1,000,000

C. NJHMFA (**subsidy amount**)  
\$500,000

- \_\_\_ Mortgagor's Affidavit of Title.
- \_\_\_ Notice of Settlement

- \_\_\_ Builder's Risk Insurance (**HMFA AS NAMED INSURED, LOSS PAYEE AND MORTGAGEE**) (**Property**)
- \_\_\_ RECAPTURE MORTGAGE SECURING PAYMENT OF CHOICE PROGRAM RECAPTURE NOTE IN FAVOR OF THE NJHMFA - given to developer at closing.  
(if applicable – for **Emerging Market Units only**)
- \_\_\_ RECAPTURE MORTGAGE NOTE FOR CHOICE PROGRAM - given to developer at closing.  
(if applicable – for **Emerging Market Units only**)
- \_\_\_ DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS IMPLEMENTING EQUITY SHARING CONTROLS - given to developer at closing.  
(if applicable – for **Emerging Market Units only**)
- \_\_\_ Sponsor's resolution authorizing purchase, borrowing & execution of documents (including listing of officers & authorized signatures)
- \_\_\_ CHOICE Lead Lender construction loan note.
- \_\_\_ CHOICE Lead Lender construction loan mortgage & UCC
- \_\_\_ Developer's assignment of plans and approvals to Lead Lender
- \_\_\_ Developer's assignment of Contract Rights to Lead Lender
- \_\_\_ Developer's assignment of Construction Contract and Architect's Contract to Lead Lender
- \_\_\_ HUD-1

## **REQUIREMENTS AFTER PROJECT COMPLETION**

- \_\_\_ Project Cost Certification approval (date) \_\_\_\_\_.
- \_\_\_ Required recorded documents for applicable low, moderate, middle and emerging market units.
- \_\_\_ Certificates of occupancy
- \_\_\_ Closing statements (HUD I for each unit sold)
- \_\_\_ Energy star certificates as applicable

## **RELEASE OF SUBSIDY RETAINAGE**

Release of 10% Subsidy Retainage (date) \_\_\_\_\_.

